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ETHICS OF THE SINGLE TAX.*

THE Single Tax as advocated by Mr. Henry George and his followers is a proposition that the entire rent of land, exclusive of return on capital invested in improvements, should be taken by taxation.† Such a tax cannot be shifted by the land-owner. The proposition is therefore practically a proposition to confiscate land values to the use of the state. If carried out, it would leave the land-owner in the same position the stockholders in a corporation would be in if the government were to tax their stock to the full amount of the dividends.

Prima facie, such a course would not seem to be just; but the *prima facie* view is often wrong. What is the result of a closer examination?

The principal arguments of Mr. Henry George and his followers in favor of the justice of their proposition are founded upon the theory of Natural Rights.‡ They say that land does not really belong to the so-called land-owner, because such ownership is in contravention of cer-

* References to *Progress and Poverty* are made to the fourth edition.

The Single Tax platform to which I refer is to be found in the *Journal of Social Science*, October, 1890, pp. 45-47, and, I think, in every number of Mr. George's paper, *The Standard*.

I refer frequently to "Clarke," meaning a paper read before the American Social Science Association at Saratoga, September 6, 1888, by Samuel B. Clarke, of New York, printed in the *Harvard Law Review*, vol. i. p. 265. The pages cited are those of the pamphlet form of the paper.

† Single Tax platform; *Progress and Poverty*, p. 364; Clarke, p. 4. I use "land" in the rest of this article to mean land apart from the improvements upon it.

‡ *E.g.*, the Single Tax platform of 1890 says:—

"We assert as our fundamental principle the self-evident truth enunciated in the Declaration of American Independence, that all men are created equal and endowed by their Creator with certain inalienable rights." Cf. following arguments of Mr. George and Mr. Clarke, and Mr. Garrison's paper, in *Journal of Social Science*, October, 1890. *Progress and Poverty*, p. 304.

tain natural rights. It is to this part of their argument that the present paper is directed.

Their argument is substantially as follows: "What constitutes the rightful basis of property? What is it that enables a man to justly say of a thing, 'It is mine'? From what springs the sentiment which acknowledges his exclusive right as against all the world? Is it not primarily the right of a man to himself, to the use of his own powers and the enjoyment of the fruits of his own exertions?" *

In other words, a man has a right to himself, and not merely to himself as alone in the universe, but in relation to the rest of the world, and especially in relation to the planet on which he finds himself. This right implies a right to the use of his powers; and that implies a right to access to that on which alone his powers can be exercised, the planet Earth.†

It follows, moreover, that he has a right to the fruits of his own exertions, to what he produces by the exercise of his powers upon the planet.

Besides his right to himself and to access to the earth as a field for the exercise of his powers, a man has a right to live.‡ From this also, as from the right to himself, follows a right to the use of the earth; for without that he cannot live. "Any law that said, 'Certain babies have no right to the soil of Ireland, therefore they shall be thrown off the soil of Ireland,' would be precisely equivalent to a law that said, 'Certain babies have no right to live, therefore they shall be thrown into the sea.' And, as no law or custom or agreement can justify the denial of the

* *Progress and Poverty*, pp. 299, 300; cf. also Single Tax platform.

† "The right to the produce of labor cannot be enjoyed without the right to the free use of the opportunities offered by nature, and to admit the right of property in these is to deny the right of property in the produce of labor." *Progress and Poverty*, p. 302.

‡ *Progress and Poverty*, p. 304; Clarke, p. 11 (implied).

equal right to life, so no law, custom, or agreement can justify the denial of an equal right to land. . . . This right is irrefutable and indefeasible. It pertains to and springs from the fact of existence, the right to live.” *

These rights to himself, to the use of his powers upon the earth, to the fruits of his exertions, and to life, are not absolute and unqualified. Each man’s right is qualified by the right of every other man.†

Each man has a right to the use of his powers equal to the corresponding right of every other man; and the right to live is similarly equal,—equal not merely in the sense that each is equally possessed of such rights, but in the sense that the rights are equal in extent and degree,—rights to an equal chance for life and an equal field for exertion.

How shall this wrong be remedied, and the equal right of each be asserted? It would be just—and, according to Mr. George, not impossible ‡—to divide up the earth in accordance with the principle arrived at. But such a course is not necessary. Where two men own a ship, an equal division does not necessitate sawing her in halves. All that is necessary is to divide the proceeds equally.§

So with the earth: the equal right of each is secured if the rent of the land is taken and used for the good of all; for the rent of a piece of land is the equivalent of the advantage of possessing it over having access only to such land as can be had for the asking. The sum of all rents is the total advantage secured by all possessors of land by their possession.

If this sum could be distributed equally throughout the community, this advantage or its equivalent would be equally distributed, and all would be on an exact equality as regards land, just as much as if each owned equally

* *The Land Question*, by Henry George, chap. v., quoted in Clarke, p. 15.

† *Single Tax platform*, 1890, second sentence; Clarke, pp. 19, 20.

‡ *Progress and Poverty*, pp. 363, 359.

§ *Ibid.*, p. 308.

good portions of it. The only difference would be the difference between all using the natural advantages of the land equally, each keeping the resulting benefit, and using them unequally and having the benefit equally divided. It is true that the rent collected in taxes would not be paid out to everybody equally. To do so would be, to say the least, cumbrous and costly. But it will be spent for the good of the community in which all have an interest, in ways from which all receive a benefit.

This plan not only seems to secure practically the natural right of each to his share of the earth, but also prevents, or diminishes,* the infringement involved in any other sort of taxation of the natural right of every man to the fruits of his own exertions. It puts men on an equality in regard to what no man has produced, and leaves men, so far as possible, in free and undisturbed possession of what is due to the exertions of each.

The so-called land-owner, then, does not own the land except so far as it is in value just his share of the earth's surface. As regards the portion of his holding which does correspond to his just share, it is just and proper to practically confiscate that along with the rest, because so doing is the only practicable way of securing other people's natural rights, and because he will get his just portion back again in sharing with everybody else in the common benefits for which the proceeds of such confiscation will be expended.

The Single Tax, then, rests upon the equal right of every man to the earth's surface, derived from the natural rights to live, to have an equal opportunity, and to enjoy the fruits of one's own exertions. It is justified simply as the best or only available means of enforcing this right.

*Mr. George has stated that the rent is enough to more than pay all local, state, and national governmental expenses. This conclusion is probably incorrect, but it is unnecessary to this portion of his argument. See Rae, *Contemporary Socialism*, pp. 470, 471.

How, if at all, can these arguments of the supporters of the Single Tax be answered? In my opinion, a complete answer can be framed as follows:—

FIRST.

The right claimed would not justify confiscation. It is not, if established, a right *in rem* against the land. It is rather in the nature of a personal right to have land, founded on a belief that no man ought to be without land,—that land goes with a man, so to speak.* It seems to be a right derived from the nature of man, such as would be fully satisfied if a new continent were discovered and its land so divided as to make all men equal as regards land. If that is a correct analysis, the fact (if it is a fact) that the right can only be satisfied by confiscating existing land values does not convert the right into a right *in rem* to existing land. It seems to be rather of the same nature as the right to support claimed by some socialistic writers, and conceded by our present laws for poor relief,—a right, as against the state, to be supplied with a certain thing or certain things. Such a right does not destroy the rights of the present owners of the thing in question. The right to support does not destroy the right of the bakers to their bread. It does not permit the state to confiscate the bread, in order to give effect to the right.

If the right exists, it seems, in other words, to be a right as against society, such as ought to be secured by the action of society at its own expense through its organ, the state, and ought not to be enforced at the sole cost of those who happen to own the thing by which the right can be satisfied.

*“A landless man is an anomaly,” etc. See *Progress and Poverty*, Book VII. chap. i., *passim*; Clarke, pp. 11–24; W. L. Garrison’s paper, *Journal of Social Science*, October, 1890; Single Tax platform, 1890, quoted *supra*.

SECOND.

The natural rights relied upon cannot all exist, because they are mutually inconsistent.

1. The right to the fruits of one's exertions is inconsistent with the right to life. "To say that certain babies born in Ireland have no right to the soil of Ireland is equivalent to saying that they have no right to live." But how much good would it do these babies to give them their share of the soil of Ireland? In order that they should have the remotest chance of living, it is necessary that they should be fed and clothed and warmed for many years. If they have any right to live, there must be some one else who has not the right to the fruits of his own exertions. The same is true of all who are unavoidably paupers, and of all sick or disabled or very young or very old people. To say of any of these people that they have no right to the fruits of the exertions of others is to say that they have no right to live.

2. The right to the fruits of one's exertions is inconsistent with the right to equal opportunity. If a man has a better right than anybody else to any of the fruits of his own exertions, a man whose exertions have produced any fruit has a better opportunity to live and for all subsequent exercise of his powers than those whose exertions have as yet produced nothing. The latter class must include, besides the idle, incompetent, and disabled, all those who have come into the world too recently to have as yet made any fruitful exertions. To deny this position is to affirm that food, and capital generally, do not help to support life, and are not, like the earth, fit objects for the exercise of human powers. As a matter of fact, the possession of capital is an advantage. The right, if any, to the fruits of one's exertions is a right the enforcement of which tends to make the rich (comparatively) richer and the poor (comparatively) poorer.

3. The right to the fruits of one's exertions is inconsistent with the equal right to land or with any other proposition involving a denial of the right of present land-owners to their land. It is true that the value of land is not wholly due to the labor expended, or caused to be expended, upon it by its owners. It is in part due to its natural qualities and in part to the labor and in part to the position of other people. But, in the first place, it is as true of personal property and improvements as it is of land that value is not wholly derived from nor proportioned to the labor and sacrifice of its owners. Neighboring improvements enhance the value of a store as much as that of the land under it. An increase in demand affects the price of corn or copper or cotton cloth as truly as do changes in the cost of production. Whenever the demand for any sort of property fails to be so fully met by the supply as to bring the price down to the level that will, on the average, tempt the necessary labor and capital into its production,—whenever, that is to say, the price of any article is above its normal supply price,—the owners of that article, the owners of the capital that produces it, and the laborers possessing the skill requisite for its production, obtain an “unearned increment”—a value they have not produced—as truly as land-owners ever do. If the supply can be increased, this state of things does not last; but it is the same while it lasts, the difference as regards receipt of unearned increment being only a question of amount and duration, not affecting the principle of the “right to the fruits of one's exertions.”

Where the supply cannot be increased, the case is exactly parallel to that of land, as in the oft cited case of pictures by old masters (although it may be urged that these are still produced by modern enterprise), wine of a certain vintage, and the like. So, also, in the case of personal qualities not produceable to order in sufficient quantities to bring the price down to correspond to the

cost of production. The demand for living skeletons or Wagnerian tenors or original novelists, or the constant demand for character and ability that is born and not made, gives those who possess the required quality a natural monopoly as truly as if they owned shares in a land company or in a copper mine; and an increase in demand adds to the value of the monopoly in the same way. In such cases, even the normal price contains an element of natural advantage or monopoly, just as in the case of land.

But granting, as we must, the distinction between things whose exchange value, at any given time, corresponds to the sacrifice involved in producing them and things in whose value there is an element of monopoly, and supposing, for the sake of the argument, that land alone stood in the latter category, it does not follow that land is not, in the sense in which the phrase is meant, the fruit of the exertions of its present owners.

Not being a believer in natural rights, I am not, perhaps, competent to say just what is meant by the "natural right to the fruits of one's exertions." If it means that a man has a right to what he produces in the sense in which men do "produce" personal property, if it is a right to value he has conferred or to the object upon which he has conferred it, it does not apply to the monopoly element in the value of land. If that is the true interpretation, however, it follows that the land-owner has a right to the land and property of others in so far as its value is due (as in great measure it often is) to the labor which he has performed or paid for in building railroads, putting in gas, erecting business blocks, and the like. Unless we are willing to accord him betterments, so that he may retain the value which he has conferred upon others, we are not justified in depriving him of the value which others have conferred upon him. "Heads I win, tails you lose," is clearly not a natural right.

But I hardly think that a right simply to what he “produces” can be the sense in which a man is held to have a right to the fruits of his exertions. It seems to me more in accordance with our natural sentiments of justice, and therefore a more probable interpretation of a popular idea, that a man’s right is supposed to be not merely nor primarily to the thing produced or the value conferred by his labor, but to the reward expected,—not to the thing he was working *on*, but to the thing he was working *for*. I think its foundation is the same as that of the feeling that the laborer is worthy of his hire, and applies equally whether his hire is the product of his labor or not.

It is not necessary, in this view, that the man claiming in virtue of the right should have produced the thing or the value which he claims. The factory operative, for instance, does not produce his wages in any such sense. The material he works upon belongs wholly to his employer before, during, and after his work upon it. He has no right either to the article or to any value which he may have conferred upon it. His wages may, in the long run, have some relation to that value, but he has no right to the value as such; and, conversely, his right to his wages is in no way dependent upon it. If the operation he has performed makes the goods unexpectedly attractive, his employer rightly reaps the reward. If it results unfortunately, the employer must stand the loss. His right to his wages is not affected legally or morally by the result. His right is to his money wages and the things on which he sees fit to spend them; and these wages and what he buys with them are equally the fruit of his exertions, whether he buys food or clothing or land or puts his money into the savings-bank. If we deprive the workingman of his wages, whether in money, food, or land, we deprive him of the fruit of his exertions, of the only thing to which his labor gives him any claim of right.

If the right is such as I suppose,—a right to the reward one has worked for,—it gives the present owners a right to their land. The first owner cleared and redeemed the land, looking to the rent as a part of his recompense. He was the only man in the world who judged that recompense sufficient. The man who bought from him paid the price and lived in the backwoods, looking partly to the rent for his recompense. The successive owners did not create nor produce all the value that accrued to the land as time went on, but they paid for it all; and it is as much the reward and fruit of their exertions as if they had bought stocks or bonds or gone into business with the same amount of capital.

Such is the normal course of things in a peaceful community. Any departure from that course is due, not to the nature of land-ownership, but to other social or political conditions. If, as is sometimes argued,* the title has failed to come down unbroken from the first human occupier, but must be traced to acts of fraud and violence, this is not an argument against land-owning as such, nor does it bear on the question of whether the land is the reward of the labor of its present owners. It merely bears upon the question of who is the true owner of a given piece of land. If we hold that considerations of what occurred in the remote past should be paramount to all other considerations, and if the heirs of the last true owner (in this sense) can be found, and prescription has not run since the geological period in which he was dispossessed, and if the strata superimposed since that time do not prevent the identification of the lot in question, the matter can be set right; but in any case the argument has no bearing on the question of whether a good title to the land exists, but merely on the question of who holds it.

* *E.g.*, William Lloyd Garrison, *Journal of Social Science*, vol. xxvii. pp. 16, 17, quoting a characteristically profound argument of Mr. Herbert Spencer.

The value of land not being wholly the result of the labor bestowed upon it, it is not necessary, in the nature of things, that its value should become private property in order that labor should receive its reward; but, once having agreed to treat this element of value as private property, it has, as any other benefit capable of appropriation would have done, become the object and the reward of human exertion and sacrifice as truly as any other species of property or element of value whatsoever.

Indeed, as it happens, land is to-day *par excellence* the fruit and reward of labor. It is the favorite investment for savings-banks and life insurance companies in the form of mortgages, and is also the investment of the small proprietor, who works hard and lives hard to hold his bit of land, expecting his reward in the security of such property and in the gradual rise of its true rental value, due to the growth of the community.*

In short, whatever may be the argument in favor of denying the ownership of the land to its present so-called owners, to act upon such a denial has, at all events, this consequence: that it would deprive more people of the fruits of their own exertions than any other sort of confiscation.†

It will be said that the owner of land has not always paid its full value for it: the future rise in value is not always fully discounted in the present price. There are such things as fortunate land speculations and fortunes made by sudden rises in value unforeseen by the owners.

But the attribute of land values which we here encounter is not really that they rise above what was

* Cf. Walker's *Wages Question*, p. 236; Professor J. B. Clark in *Journal of Social Science*, vol. xxvii. p. 23.

† It is sometimes argued (*e.g.*, *Progress and Poverty*, p. 403) that the farmer's land would be just as valuable to use after the Single Tax as before it, though not to sell. But purchasers and owners are not of different species. Having to pay away a part of its value affects the amount of the remaining value of a thing, whether you keep or part with it.

expected,—it is not that land is, *as a rule*, a better investment than other things, and buying land a royal road to fortune,—but that they fluctuate in ways partly unforeseen. Against the case of the unforeseen rise, where the farmer or other innocent person wakes up to find his cow-pasture is wanted to form the centre of a metropolis, we have the case of the owner of the centre of a metropolis, who finds he can make most money out of it by having it laid down to grass. If the losses were put against the gains, I believe it would be found that land, with its physical solidness and possible brilliant rise in value, appeals to the popular imagination for more than it is worth, and is more apt to sell above its true value than below it.

The successful land speculators do, it is true, systematically get more than they pay for. So far as the rise in value of their land is not due to the capital they spend in improvements and advertising, it is an unearned increment not offset by loss. And yet, if the case were one of personal property, we should probably not call the increment unearned. If a mill treasurer buys his cotton at the bottom price, and guesses at the taste of the public in calico prints two years ahead, and so commands a very large salary, we call his salary the “earnings of management.” If the manager of a land company buys the land at bottom prices, and knows what to buy and what to let alone, and so commands a large salary, the source of that salary is the same. And, if in each case the buying was on his own account, the source of the gain he makes would not be altered except in outward form. What from one point of view is unearned increment is from another point of view earnings of management.

Both of these phenomena will occur—the shrewd and courageous buyer will grow rich, and the timid or unskilful will grow rich or poor, as may happen—so long as there is private property in things whose value fluctuates.

To still own your property after its value has risen or fallen, whether from one cause or another, is one of the necessary incidents of ownership, as we understand it to-day. If a change is desirable in this matter, there could be no reason for confining it to land: we must abolish private property, as now understood, altogether. Even then we should not have accomplished our object of making reward proportioned to exertion by eliminating the effect of chance and of shrewdness and courage in making investments. There would still be the choice of a profession, of a course of life, and many other decisions, the effects of which cannot afterwards be wholly reversed. In all such cases, character and chance will play their part, as they have always done. Indeed, it is not property in land, but human nature, and some other things, which stand in our way, if we attempt the reform in question.

There is, however, one characteristic of land which does, I believe, give ground for supposing that there is, in a sense, an unearned *and unpaid for* element in land values not to be found in the value of many other things; namely, its permanence. Men do not look ahead a thousand years in their calculations,—hardly more than a hundred. A sure rise in the value of a lot five hundred years hence would not at all affect its value to-day. If the son of John Winthrop could have foreseen that the site of his house would become one of the most valuable corner lots in a large city, it would probably not have affected the price at which he sold the land where the Old South Church in Boston now stands. To the human eye two parallel lines seem to meet, if drawn out far enough; and a price that would be of great importance to-day is of absolutely none in the sufficiently distant future. From this failure to fully discount the distant future arises the possibility of doing what was proposed by Mr. Mill; namely, to take a part of the value of land, and leave the landlords as much as they had before. His proposition is to make

“the future increment of rent liable to special taxation, in doing which all injustice to the landlords would be obviated if the present market price of their land were secured to them, since that includes the present value of all future expectations.”* As the present market price *does* include the present value of all future expectations, how is it possible to take away a valuable part of those future expectations without affecting the present market price? It would be very convenient to take a part, and leave the whole; but is it possible? It is so, as I have suggested, only because there is paradoxically an element in the value of land that does not affect its value. The state could take not only the increase, but the *whole* of the land value by an act to take effect January 1, 2193, without affecting its present market price. It is its distance in the future, and not because what it takes is an increment, that makes it possible to perform this operation without taking from present land value. The argument does not apply to any taking that will affect present land values, least of all to taking the present actual rent.

4. Even the equal right to life and the right to equal opportunity for the use of one's powers, which I have hitherto spoken of together, are inconsistent. Some people cannot live without very superior advantages. To give all any chance of living is impossible; and an attempt to equalize the chances for life would involve giving the greatest opportunities and the greatest rewards to the lazy, incompetent, and disabled, and not in making their opportunities, and by implication their rewards, merely equal to those of the able and energetic.

The inconsistencies so far pointed out might seem to be avoided by limiting the natural rights relied upon, so that they will not contend for the same territory, and will not conflict with the desired conclusion. The difficulty seems

* *Principles of Political Economy*, Book V. chap. ii, § 5.

to me to be that the rights in question cannot survive the operation, that their appeal to our reason and moral sense is thereby destroyed.

No quantitative measure of these rights is possible. We cannot, therefore, settle the matter by splitting the difference.* It is impossible to say how much foregoing of the fruits of one's exertions is equivalent to a given amount of foregoing equality of opportunity to live or to exercise one's powers; and, when we consider the complications arising from the multitude of people in the world in every possible condition as regards opportunities, earnings, and needs, the difficulty would be greater if that were possible.

But there is not the mere difficulty of measurement. Any cutting in halves of a natural right is impossible. There are no lines of cleavage along which any division can be made. The right to the fruits of one's exertions applies, as I think I have shown, as much to land as to capital. The equal right to live or to opportunity certainly applies as much to capital as to land.

The conflict of these self-evident and inalienable rights presents the case of an irresistible force encountering an insuperable obstacle.

It is of course possible, where you have two principles opposed to each other radically and throughout, to draw a line anywhere you choose, and to say that you will be governed upon one side of that line by the one principle and upon the other side by the other. In the present case, by moving the line along one way or the other, the same principles may be made to point anywhere from communism on the one side to anarchy on the other. It is perfectly open to Mr. George to say that he has drawn the line in about the right place, as a practical matter; but drawing the line anywhere involves two things. One is the assertion of some principle of judging where it

**Cf.* Clarke, p. 20.

should be drawn. The other is a denial of the natural rights we have mentioned, inasmuch as a line drawn through a natural right, not in obedience to any limitation found in the right itself, but because of some other consideration, is obviously a denial of all authority of that right as a principle of ethics,—a denial, in other words, of its existence.

It follows, if the foregoing argument is sound, that the Single Tax system is not supported by the rights so far mentioned as relied upon in support of it, but that, upon the contrary, it is a denial of those rights. Its confiscation of land values is a denial of the right to the fruits of one's exertions. Its affirmation of the right to personal property and improvements is a denial of the equal right to life and of the right to equal opportunities for the exercise of one's powers.

Whatever, therefore, may be the principle upon which the system may be justified, the claims of every man to an equal right to live, to use his powers, and to enjoy the fruits of his exertions, must be abandoned, or rather overthrown, in any argument by which the justice of the Single Tax shall be established.

THIRD.

The Single Tax is not supported by the rights relied upon.

Even if a compromise between natural rights were possible and resulted in a natural right of every man to an equal share of the earth,* and, apart from that, a

*Or, if it could be shown that the "Almighty . . . has entailed [the earth] upon all the generations of men" (*Progress and Poverty*, p. 304), in the sense that they should all share it equally, in proportion to value, and not merely, as in the case of personal property, in the sense that they should regulate it so as to secure the best results possible. (Of course, if this right exists, we have no right to keep out the Chinese, nor had the Greeks any right to keep out Xerxes, nor Charles Martel to keep out the Moors.)

The Single Tax platform of 1890 seems to rely partly on the fact that God created the land. But, assuming that such is the fact, nothing can be in-

natural right of every man to the fruits of his own exertions, the Single Tax would hardly be justified, inasmuch as it does little or nothing towards enforcing the right to an equal sharing in the earth, which would then be its only ground for disturbing our present system.

It leaves the landless man without land. The right to the earth, so far as it has any foundations, is founded on the relation of the earth to every man as a source of life and a field for the exercise of his powers. It would seem, then, that he has a right to his share to see what he can make out of it, and that the right would not in the least degree be satisfied by a mere cash dividend. The right claimed is an *inalienable* right* to land. If so, it cannot be exchanged for a right to have land taxed: it must be enjoyed in kind.

The right to land is continually likened by advocates of the Single Tax to the right to liberty.† What would Mr. Garrison's father have said to the proposition that the right to liberty would be satisfied, even in the smallest possible degree, by the proceeds of slave labor going by taxation to the state or to the slaves?‡

But the Single Tax does not secure the distribution of even a cash dividend. The money is not distributed to all persons equally. It is not distributed at all. It is kept for the use of the state. It is no answer to say that

ferred from it, in the absence of a special revelation, as regards the question of how the land should be managed, unless we infer that the development which Mr. George has pointed out (*Ibid.*, p. 333), from common towards individual property in land, is an indication of the divine will.

* Single Tax platform, cited above.

† *Progress and Poverty*, p. 322. "Private property in land is a bold, bare, enormous wrong, like that of chattel slavery."

‡ On the other hand, if the right is not inalienable, we have in our collective capacity gone through every possible form of alienation, by grant, by allowing prescription to run, and by waiver, through aiding and encouraging the acquisition of present land titles.

(The Single Tax platform appears to refer to the right to the fruits of one's exertions as inalienable. *Quere* whether this prevents passing a good title to personal property.)

it is spent for all equally, because (1) the benefit is not equal, and because (2), if a man owns a thing, he has a right to have it, and to pay out of it *only his share* of the taxes. It is a peculiar system of taxation which takes from the man who owns nothing but his share of the earth the whole of his property, and lets the millionaire go with only the same amount of tax. The landless man brings an action of ejectment against the land-owner for the major part of his land. Mr. George gives judgment in favor of the plaintiff, and enforces the judgment by confiscating the property.

It is claimed that *incidentally* the Single Tax will make it much easier for the poor man to get land. Such would not be the case; but, if it were the case, it would not justify the system if natural rights are to govern. If the state is going to take away A's land because it belongs by natural right to B, it must give it to B, and cannot justify itself by saying that it will charge B less rent for his own land than A would have charged him.

The Single Tax, then, does not secure to each man his share of the earth, nor come near enough to doing so to be very strongly supported by a natural right of every man to such share, even if any such right existed. What it does is to give the proceeds of the land, not to each man equally, but to the community as a whole. This brings us to a different line of argument, often employed by the advocates of the Single Tax, although inconsistent with the arguments quoted above; namely, that there is a natural right, not in each individual to his share of the earth, but in society as a whole to the rental value of the earth. This right and its foundation are "that value which the growth and improvement of the community attach to the land, should it be taken for the use of the community." *

* Single Tax platform; cf. Mr. George, *Century*, July, 1890, p. 395. Mr. Clarke repudiates the argument. Clarke, p. 24.

The natural right here claimed,* if it exists, justifies the Single Tax as no other claimed natural right does. But it does not exist. Society has not created the value of land.

The value due to natural advantages is clearly not the creation of society. The value of the land of a copper mine and the value of an adjacent field where there is no copper are very different, and the difference is not due to any action of society. The same is true of all natural differences in land.

As regards improvements, some confusion has arisen from the fact that the word "improvement" is utterly ambiguous. What from one point of view is due to improvements becomes from another point of view an advantage of situation. Streets, gas, street railways, are improvements from the point of view of the city; but from the point of view of a single lot they are factors in determining the value of situation. Railroads are improvements from the point of view of the State or country, but to the small town they are factors in the value of the situation. What is an improvement, while it is included in the area under consideration, becomes a factor in the value of the situation, when it falls outside. From this fact arises the war between Mr. George and those of his critics who affirm that, if you do not tax improvements, you will have very little left to tax. What would America rent for as a wilderness? Mr. George might very properly answer to these critics: "I am not proposing to exempt value which *other people* confer on a man's land. In fact, that is just what I am proposing to take. What value the government and the labors of the rest of the community confer upon a man's land may be an *im-*

* This passage does not claim for the community that land value which nature, and not the community, created; but it is meant to justify the Single Tax, and therefore is meant to claim all land value, so far as conferred by nature and society.

provement from the national point of view, but it is not an improvement from the point of view of that one piece of land, which may be still just as the Lord made it. I do not propose to exempt a man from taxation upon what he has *not* produced, but only upon what he *has*."

To this, which I take to be the position of Mr. George, I answer: first, that, as pointed out above, the owner, though he has not made these improvements upon other people's land which reflect value on his own land, has paid for the value so conferred; and, secondly, that, if he has not made them, neither has the community. Railroads, horse-cars, business blocks, attractive residences, are not the work of people in general, but of certain individuals or of the government. If those who put in these improvements ought to reap the benefit of them, that end can only be reached by so extending our betterment laws as to allow an individual, as well as the community, to recover value which he, by his improvements, confers on other people's land. In the absence of such extension of our betterment laws, the nearest we can come to the desired result would be by taking off all taxation on land; for those who thus confer value on other people's land are chiefly land-owners putting in improvements on their own. These land-owners will come nearer to reaping an equivalent for what they confer upon others if we leave them in possession of what others confer upon them than they will if we deprive them of it.

The element in the value of land due to having people living in the neighborhood is distinct from the value conferred by improvements. Society does, by settling near it, confer value upon land, and especially so in the case of a business centre. Does that give society a right to such value as against the land-owner? Is the conferring of value by shopping in a particular place rather than in some less convenient place an act that needs or earns compensation? Do the customers of a great dry-goods

store, who doubtless do confer much value upon its site, *earn* that value? Does your conferring of value by doing business where you find it most convenient give you a better right to that value than I who have bought that value and paid for it? No human being ever felt that such was the case. Omitting all question of waiver on the part of society by encouraging the owner (by a registry of deeds, etc.) to acquire title, it has not even a *prima facie* case.

When society confers value on land by living in the neighborhood, it does so because of its *demand* for that land or for what it produces. But, if the claim that what value society creates by its demand belongs to society is to be admitted, society owns everything, on the same plea. A copper mine or the site of a business block, or the copper or the buildings, would be equally valueless if there were nobody to buy copper or do business. A thing has no value without somebody to value it, and no exchange value without somebody to buy it. A rose cannot blush unseen, for there is no color without somebody to see it. By this argument, things, whether personal property or real estate, should belong, not to those who produce them, but to those who afford them a market.

The argument cannot, I think, be seriously insisted upon: * it is founded upon a play upon the word "make" or "create," as applied to value.

FOURTH.

There are no natural rights.

We have seen that, apart from the natural right of the community, dealt with in the last section, the only claimed natural right which the Single Tax does not contradict is the natural right to an equal share of the earth;

* Cf., however, Miss Potter's book on the co-operative movement in England.

and we have seen to how small an extent the Single Tax gives effect to that right. The right itself, we have seen, is a contradiction of all the natural rights from which it is said to be derived. It remains to show that it, as well as the other rights relied upon, is a contradiction of the principle of natural rights as laid down by Mr. George.

"Nature acknowledges no ownership or control in man save as the result of exertion. . . . She makes no discriminations among men, but is to all absolutely impartial. She knows no distinction between master and slave, king and subject, saint and sinner. All men to her stand upon an equal footing and have equal rights. If a pirate spreads his sails, the wind will fill them as well as it will fill those of a peaceful merchantman or missionary bark. . . . The laws of nature are the decrees of the Creator. . . . As nature gives only to labor, the exertion of labor in production is the only title to exclusive possession."*

Taking the test that what nature gives is the test of right, it is clear that the right to an equal share in the earth cannot exist: first, because nature's rule, the right of the strongest, works in the opposite direction; and, second, because it is impossible for nature or for man, with any power short of omnipotence itself, to divide up the earth equally among all its human inhabitants, always up to date, in proportion to its value. Even the Single Tax, a very inadequate substitute, as we have seen, for equal division, cannot be carried beyond the limits of an existing community, and with human assessors will come very far from even taking for the state the exact rental value of each piece of land. But nature furnishes no assessor, fallible or otherwise, and no state. "She knows," as Mr. George says, "no distinction between king and subject." The state, with its machinery for collecting and expending revenue, is the creation not of nature, but of man. If it be argued that nature created man, and therefore created the state, the same argument shows that nature created

* *Progress and Poverty*, pp. 301, 302.

our present tax system just as it stands, and that therefore the laws of nature *and* the decrees of the Creator are opposed to the Single Tax.

By Mr. George's test of natural rights, which certainly seems a reasonable one, right rests upon the way in which nature acts if left to itself. The wind will fill the sails of the pirate as well as it will those of the merchantman or missionary bark. If the pirate is chasing the merchantman or the missionary bark, and his sails are equally full, the chances are that he will catch him unless the other has auxiliary steam. If he catches him, there is likely to be a conflict of exertions; and the laws of nature, as they manifest themselves in the result, will decide the respective rights of the parties. The laws of nature are the decrees of the Creator, and Providence is on the side of the big guns.

Such a system of morals has some merit. According to Darwin it has done a great deal for us in times past. Courage is an important virtue; and there is a good deal to recommend

“The good old rule, the simple plan,
That they should take who have the power
And they should keep who can.”

It is not, however, worth while to discuss whether the survival of the fittest is the whole of the moral law. I submit that such a position is a denial of “natural rights,” whether to life, liberty, land, or property of any sort, substituting in their stead one natural right,—the right of the strongest,—and that without at least some rules of battle it does not commend itself to the moral consciousness of mankind.

Natural rights leave out all adaptation of rules of conduct to circumstances. They are an attempt to decide the moral worth of an act without regard to its consequences, however clearly foreseen. “Many objections [to

the Single Tax] are nothing more than evil consequences which are anticipated if the change is made. In strictness, such consequences are irrelevant." * And we must be as strict as we can where we are talking of the moral law. Mr. George thinks the system would abolish poverty. I hold that a good argument for its introduction; but, under the theory of natural rights, the Single Tax, if supported by natural rights, ought equally to be introduced, whether it abolishes poverty or promotes it. It would be no argument against the system if it could be conclusively shown that its introduction would plunge mankind instantly and forever into the lowest depths of poverty and vice. *Fiat justitia, ruat cælum*. If it is right, it makes no difference what it may cost. The position is correct in the supremacy that it accords to the moral law. It is false in its conception of what that law is. It is equivalent to saying that the means justify the end; that, if you follow certain rules of conduct, you need not concern yourself about even such results as you foresee; that, so long as you do right, it makes no difference how much wrong you may thereby commit.

In truth, there are not many moral laws in the universe, but one. There are no rights, but only right. Rights, so called, are convenient generalizations, practical rules, true and useful so long as at any given time and place their existence conforms to the universal law from which any authority they may have is derived. This universal law is to be perceived only by the moral consciousness of men, from which there is no appeal. It has never been fully formulated, and never will be. The formulas arrived at by the deepest thinkers are themselves only working rules, difficult of application in proportion as they approach the truth.

"Is it, upon the whole, for the best interests of all concerned?" That, and not conformity to natural rights, is

* Clarke, p. 26.

the test to which all rights, natural or legal, must be submitted; and this is the test that we always do apply, however imperfectly we may be able to work it out. For instance, the right to life must yield to our country's need in time of war, or to the State's welfare when we are called to aid its officers in a riot. The right to liberty must yield to our duties as jurymen or witnesses and to quarantine laws; the right to property, to the laws for the collection of revenue and to the right of eminent domain which takes land and improvements alike.

It does not follow, however, from this paramount right of society that society owns the land to the exclusion of private property in it, any more than that it owns the personal property and lives of its citizens, in that sense. The question how it is best that society should regulate the ownership of land, whether by reserving it to itself or otherwise, is not in any way answered nor affected by the fact that society has a right and duty to regulate such ownership in some way. It is not in opposition to, but in virtue of this right of society that private property in land now exists.

In adopting this view of the question of right, we abandon the popular view held by Mr. George and his followers, and probably by most of those opposed to his system, that the only question is who owns the land, and that, when that is once answered, the rest follows, one way or the other. In the view I have adopted, it is not proper to lump a number of ideas together under the word "property," and make them all stand or fall together. The only way we have a right to do is to consider each question separately,—taxation, right to income, to exclusive possession, transfer, etc.; and, having done so, the legal rights we leave to the present land-owner can be called "property" or anything else without affecting anything but the dictionary. The particular question we are now considering is the Single Tax; and that cannot be settled

by settling any other question, whether of "property" or of anything else.

The justice or injustice of the Single Tax is a question that can only be decided by weighing all its probable results in the balance of the best moral judgment we can bring to bear, unhampered by any formulas in regard to natural rights. What would be its probable results is a question with which I have not space to deal. Briefly, the question would be this: First, Would the revenue derived from the confiscation of all existing land values compensate for the suffering and the shock to confidence in the permanency of our institutions, which would be involved? Second, Would the substitution of the new conditions of land-holding, passing from our present system of obtaining land by a fixed price, a fixed rent, or the fixed conditions of a mortgage, to a system of paying from time to time such amounts as an assessor might find to be the true rental value,—an uncertain though not an arbitrary rent,—would this change make land more accessible to the poor man and the business man as compared with the rich man or the idler, or would it in any other way increase the service of the land to the community or lead to its more advantageous use?

JOSEPH LEE.